

## NEW SOLIDARITY INTERNATIONAL PRESS SERVICE



Latin American Newsletter

# The Latin American Model

Everything necessary for Rockefeller's drive to turn the Third World into a giant labor-intensive death camp has already been implemented in Latin America. The enabling proposals and structures for this transformation were precisely laid out over the past two weeks. U.S. Treasury Secretary William Simon personally oversaw the founding of a new International Group for Agricultural Development-Latin America (IGAD) fully committed to slave-labor at the Mexican resort of Cancun; the Labor Ministers of the Andean region met in Cartagena to discuss slave-labor proposals for the June International Labor Organization (ILO) conference in Geneva; and agent currents in the Third World launched a "horizontal cooperation" drive in a Lima UN Development Plan (UNDP) meeting to sabotage technological cooperation for real development between the advanced and developing sectors.

These public discussions of genocide took place in the context of a continuing full-scale drive for fascist dictatorships in Latin America, the only political form which can be trusted to carry out the discussed genocide. Simon specifically held up the continent's two most hideous Schachtian operations, Brazil and Chile, as "the models" for the rest of Latin America.

The political signal for such plans was publicly transmitted by Ernest Halperin of the Georgetown University think-tank, the Center for Strategic and International Studies, in a paper released at the beginning of the month. With the dismantling of Latin America's bureaucracies and other middle class bulwarks through depression measures, Halperin argued, the middle classes will turn toward terrorism. The only way to keep such terrorism from installing new Castros, he suggested, was to install new dictatorships, Pinochet-style.

### IGAD-LA

The International Group for Agricultural Development-Latin America (IGAD) was formed by Simon and the Interamerican Development Bank (IADB) over the weekend of May 15 in Cancun, Mexico, in conjunction with the IADB's annual meeting of Board of Governors. Described by one official of the Ford Foundation as "a unique body, something we've never put together before," this group includes the World

Bank, the Rockefeller and Ford Foundations, the Organization of American States, the UN's Food and Agricultural Organization (FAO), and others. It is designed as a central coordinating body for the development of labor-intensive agricultural and resource projects.

A Rockefeller foundation spokesman made no attempt to claim these schemes were an indigenous Latin American idea: "It was actually first proposed at the Rome Food Conference in 1974." He continued: "Henry Kissinger then proposed in a 1975 Houston speech that we pull together the finance ministers of the Western Hemisphere to get it going."

The IGAD was given explicit instructions by IADB head, Antonio Ortiz Mena, at its opening session: the IADB had made the "error" of promoting rapid industrialization. Now industrialization would be abandoned and the "agricultural sector would get the highest priority."

This was very much a "back-door" operation. Mexican press accounts indicate that there was total confusion about the agenda of the meeting and several speakers had to change their speeches at the last minute because of Ortiz Mena's maneuverings.

### Simon's Role

Simon personally ran the event with Ortiz Mena. While stating that the U.S. "rejected the new world economic order," promoted internationally by the host country, Mexico, Simon echoed Ortiz' call for "reorientation" to labor-intensive agricultural production.

The models which he touted were Chile and Brazil, the two countries he had just visited in a one-week tour which began May 7. In Chile, Simon praised the "firm economic measures" implemented by the fascist Chilean military junta as "clearly contributing to the establishing of viable economic development. By removing the majority of controls on prices, foreign commerce and other items, this government has shown its desire for greater economic freedom...thus Chile has been able to double exports of copper, increase its agricultural production and **reassume payments on its foreign debt.**" On Brazil, Simon was no less direct: Brazil "offers one of the most outstanding examples of what a country is able to carry out in the short run..."

### **The Fourth World: The Honduras Case**

To illustrate what Simon and Ortiz Mena were talking about at Cancun, as the meetings began, the IADB released information on a \$400 million forestry project it will supervise and partially finance in Honduras, together with the Venezuelan Investment Fund and private investors from throughout the continent. The project is designed to "double the present exchange income" of the destitute banana republic. An IADB spokesman admitted that this is exactly "the implementation of the International Resources Bank proposed by Henry Kissinger at Nairobi."

This resources looting investment scheme in Honduras was praised by Ortiz Mena during the IADB meetings and played up in a major New York Times article, as the model for the so-called Fourth World, those without industrial infrastructure and with totally dispensable populations.

#### **Colombian Model**

In those areas which have an industrial infrastructure, such as Mexico, Colombia and Argentina, the policy is to "decentralize" the industry and recycle "excess labor" from the cities back into the slave-labor projects of the countryside. The role of "regional development banks" like the IADB is crucial in this, as a way to sidestep traditional bureaucracies and directly administer local credit.

An agricultural specialist at the Ford Foundation has identified the scheme being used in Colombia as the model which will increasingly be used throughout the continent in conjunction with private sector investment groups. USAID funds are being provided to government-formed cooperatives of small-capital holders. This eliminates the "expensive" bureaucracy, in the words of the Ford official; "what is phenomenal about this structure is the incredible rate of return" on agricultural projects which were traditionally considered "soft."

At the same time, small scale industry is being promoted with IADB funds with the explicit stricture that no money is to go to any of the industrial centers of the country, Cali, Medellin or Bogota. The program is thus an integral part of the "national plan" of Colombian President Lopez Michelsen, which emphasizes "decentralization" of industry.

#### **Target: Mexico**

In Mexico, where the forces around President Luis

Echeverria are battling destabilization efforts aimed at wrecking their efforts to organize a new world economic order, the IADB-Simon-Kissinger drive has been moving through its "invisible government" apparatus in the country. One of the key figures in this apparatus is Finance Minister Mario Ramon Beteta, who was closeted with Simon through much of the latter's stay in Mexico. Coincidental with the IADB meeting, the "invisible government" groups have begun to gear up the moribund Gulf-Southeast slave labor programs for the Mexican states of Veracruz, Tabasco and Campeche.

#### **Andean ILO Meeting**

The proposals agreed upon at the ILO "pre-meeting" of Labor Ministers of the Andean region the second week of May in Colombia discussed both the "labor policy" elements of the Kissinger IRB proposals and the "agricultural development" focus of the Cancun IADB meeting.

The Labor Ministers agreed that the Andean nations should orient investment to rural sectors, particularly those requiring labor-intensive technology. The private sector should orient itself to production for export, particularly those items which can be produced by labor-intensive means. Public expenditures and investment will be oriented toward "marginal sectors" of the countryside and urban centers in order to "reduce unemployment." To cope with the "greatest periods of unemployment," the ministers agreed on implementing short term work gang tactics: labor intensive governmental programs such as reforestation, secondary irrigation canals, road construction and street repair.

#### **International Labor Gangs**

Wage policies outlined for the region will "tend to diminish the differences between traditional and modern sectors...and between rural and urban sectors." That is, all wages will be reduced, with skilled workers taking the largest cut. "Training" of workers will be carried out through special programs, involving jobs requiring minimal skills which can be rapidly acquired in order to place personnel in "mobile" slave labor programs.

To facilitate relocation, the Labor Ministers stressed the "importance of migrations" from within and outside the region, particularly of "non skilled workers." The Intergovernmental Commission on European Migration (ICEM) works closely with the ILO in transferring labor from countries with "excess

populations" to "underpopulated regions" and is in the process of setting up such a program for Venezuela.

### **Argentina: ILO at Work**

Argentina represents the archetype of ILO strategic planning for the Third World. With its extensive industrial infrastructure collapsed under a massive debt burden, hundreds of thousands of highly-skilled laborers are being tossed into an unemployed reserve pool without even unemployment compensation to sustain them. At the same time Economic Minister Martinez de Hoz has programmed sweeping purges of 70 per cent of all public employees hired over the past three years.

A national press campaign has simultaneously been launched this month to promote the frozen wastelands of Patagonia in southern Argentina as the ideal relocation site for this "surplus" labor force.

The Ministry of Labor has the mechanism for this relocation process already in place: the National Directorate of Employment Service. The Directorate, until now charged with the placement of political and foreign refugees, ex-prisoners, etc., will now be expanded to handle "labor supply and demand" in "specialty areas in the interior of the country," such as barren Patagonia.

Paralleling the Directorate's work is the notorious Bariloche Project, a Club of Rome-sponsored enterprise set up to computer-profile potential labor-intensive projects continentally. To further sop up unemployed urban labor, the Transandean Railroad, originally begun in 1888 and abandoned for most of this century, is now being renewed as a massive slave labor enterprise to link the Atlantic with the Pacific Ocean.

Simultaneous with the propaganda thrust for "A Future In Patagonia", the Argentine government is sponsoring a National Wheat Campaign. Cloaked with hysterical appeals to Argentine patriotism, the campaign projects the transfer of huge amounts of unemployed industrial labor into the interior of the country to conjure up a "miracle wheat crop" with which to pay off Argentina's staggering \$12 billion foreign debt.

### **"Horizontal Cooperation"**

To complement the ILO, IADB and World Bank drives to get slave labor camps underway, Third World agent layers have been activated to sabotage technological cooperation between the advanced and developing sectors, using the "anti-imperialist" demand for "horizontal cooperation" among Third World nations — the monstrous notion of "sharing" their joint lack of modern technology!

This agent line, in explicit opposition to the pro-technology focus of the Nairobi UNCTAD meetings, surfaced with particular virulence at a meeting May 10-14 in Lima of the UN Development Plan (UNDP). Key Mexican delegates and Peruvian Foreign Minister de la Flor denounced this Maoist scheme for enforced backwardness. The seriousness of the threat, however, is indicated by the fact that Marciano Morales Bermudez, Peruvian vice-minister of Agriculture and brother of the Peruvian president, expounded at length on the need for "horizontal technologies" at the Cancun IGAD meeting.

The New York Times Latin America correspondent, Juan de Onis, acted as propagandist for the "horizontal cooperation" line in his promotion of the IADB's Honduras forestry project this week. Onis wrote that "the project illustrates the new Latin American capitalism, which is opposed to control of basic resources of the countries of this region by large foreign companies." In short, local fronts for the New York banks will have a majority share in the slave labor schemes.

The attack on advanced technology at the Lima UNDP meeting reflects the parallel destruction of the Andean Pact orchestrated by the U.S. State Department over the past several months. At the same time that Chilean proposals to open up the region to multinational looting were approved through the revision of the Pact's Article 24, which limited foreign investment, conferences to forge industrial coordination have been sabotaged and the potential for the Andean Pact to serve as a vehicle for capital-intensive development of the region thus destroyed.